

South Carolina Board of Economic Advisors
Statement of Estimated State Revenue Impact (Section 2-7-71)

Date: April 9, 2007

Bill Number: H.B. 3568

Authors: Thompson

Committee Requesting Impact: House Ways and Means

Bill Summary

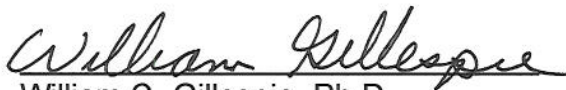
A bill to amend the Code of Laws of South Carolina, 1976, by adding Section 12-43-233 so as to provide additional "agritourism" uses for agricultural real property that does not affect the eligibility of the property for agricultural use classification for purposes of the property tax.

REVENUE IMPACT ^{1/}

This bill is not expected to have any impact on state revenues. Local property tax revenues could be reduced by an estimated \$2,000,000 as some additional properties qualify for agricultural use.

Explanation

This bill adds to the definition of what is considered "agritourism" and what is not to be considered 'other business for profit' in the treatment of agricultural real property. Based on conversations with the Department of Revenue and local county assessors this bill is not expected to impact many properties and therefore local revenues significantly. In most instances, the types of property this bill seeks to add to agricultural real property would already be classified as agricultural real property. However, there are some additional properties that will qualify for agricultural use under this bill and local property tax revenues could be reduced by an estimated \$2,000,000.


William C. Gillespie, Ph.D.
Chief Economist

Analyst: Gibson

^{1/} This statement meets the requirement of Section 2-7-71 for a state revenue impact, Section 2-7-76 for a local revenue impact, and Section 6-1-85(B) for an estimate of the shift in local property tax incidence.